

**MINUTES OF THE OCTOBER 19, 2011
MEETING OF THE ELGIN O'HARE WESTERN BYPASS
FINANCE COMMITTEE**

The Finance Committee of the Elgin O'Hare Western Bypass (EOWB), pursuant to notice duly given, held a Finance Committee Teleconference Meeting at 11:00 a.m. at the DuPage County Complex, 421 North County Farm Road, Wheaton, IL 60187.

EOWB Council Members Participating:

Mr. Dan Cronin, DPC Chairman, Finance Committee Co-Chairman
Ms. Kristi Lafleur, Finance Committee Co-Chairman, Executive Director, IL Tollway
Mayor Larry Hartwig, Addison
Ms. June Johnson, Schaumburg (designee of President Alan Larson)
Mayor Barrett Pedersen, Franklin Park
President Jeff Pruyne, Itasca
Mayor Nunzio Pulice, Wood Dale
Mayor Gayle Smolinski, Roselle
Mayor Craig Johnson, Elk Grove Village
Mr. Robert Schillerstrom, Partner, Ice Miller, LLP

By Telephone:

Mayor Peter DiCianni, Elmhurst
Mr. John Gates, Jr., Chairman RTA
Mr. Christopher B. Meister, IFA
Mayor Martin Moylan, Des Plaines

Finance Committee Members Absent:

Ms. Rosemarie Andolino, Commissioner, Chicago Dept. of Aviation
Ms. MarySue Barrett, President, MPC
Mr. Randall Blankenhorn, Executive Director, CMAP
Mr. James Pandolfi, Crowe Horwath
President Rodney Craig, Hanover Park
Mr. Jerry Roper, Chicago Chamber of Commerce
Secretary Ann Schneider, IDOT
President Frank Soto, Bensenville

Others Participating:

Ms. Nicole Aranas, Village of Itasca
Mr. Alex Beata, CMAP
Mr. Lou Bertuca, IL Tollway
Mr. Alan Boffice, Elk Grove Village
Mr. John Brining, Construction Industry Service Corp.
Mr. Tom Cuculich, DuPage County
Mr. Jim Grabowski, Elmhurst
Ms. Jan Janowicz, DuPage County
Mr. Kamran Khan, Wilbur Smith
Ms. Johnna Kelly, DuPage County
Mr. Ross Klicker, City of Wood Dale
Mr. John Kos, DuPage County
Mr. John Loper, DuPage County
Mr. Larry Martin, CH2M Hill
Ms. Sohair Omar, Illinois Financial Authority
Ms. Lidia Pilecky, CH2M Hill
Mr. Jeff Ragsdale, Office of Congressman Peter Roskam
Mr. Matthew Roan, Elk Grove Village
Mr. Ray Rummel, Elk Grove Village
Mr. Al Stefan, Baxter & Woodman (Itasca)
Mr. Greg Stukel, IL Tollway
Mr. Evan Teich, Village of Itasca
Mr. Mike Walczak, Northwest Municipal Conference

Ms. Kitty Weiner, Office of Congressman Peter Roskam
Mr. Rocco Zuccherro, IL Tollway

By Telephone:

Mr. Mike Colsch, IL Tollway
Mr. Peter Harmet, IDOT
Mr. Greg Hummel, Bryan Cave LLP
Ms. Tam Kutzmark, DMMC
Mr. Bill Lenski, RTA
Mr. George Letavish, Office of Governor Pat Quinn
Ms. Chrissy Nichols, Metropolitan Planning Council
Mr. Derek Peebles, Des Plaines
Ms. Courtney Shea, Acacia Financial
Ms. Cathy Williams, IL Tollway

General Business

Call to Order and Roll Call

Co-Chairman Cronin called the Finance Committee meeting to order at 11:18 a.m. with the above EOWB Council Members, IFA staff and other participants present. Roll call was taken by DuPage County Administrative Assistant Jan Janowicz.

Approval of Minutes

Co-Chairman Cronin requested a motion to approve and adopt the Minutes of the September 28, 2011 regular meeting of the Finance Committee. Motion by Mr. Schillerstrom, seconded by Mayor Pedersen to approve the Minutes. On voice vote all members present voted aye. Motion carried.

Introduction

Co-Chairman Cronin gave a brief overview of the meeting's agenda. Ms. Lafleur thanked the attendees for their continued time, attention and engagement on this important project. The Members are trying to accomplish something that truly is historic in its proportions and the potential impact not only on the region but also the nation. The Tollway has tried to do its part working not only with IDOT but with the consultants to address the questions that came up in the September 28 meeting relative to Phasing Alternatives. The fact that there continues to be this level of engagement and cooperation is appreciated by the Tollway Board. This level of engagement is what will make the project a reality.

Local Finance Updates

Mayor Barrett Pedersen from Franklin Park reported on his trip to Washington D.C. He met personally with Senator Dick Durbin and Congressman Quigley, and met staff from Senator Kirk's office. The Senator and Congressman, along with their staff, were ecstatic by the prospect that the Tollway has committed 3.1 Billion dollars within the next few years. This enables them to approach their fellow Congressmen for an additional 300 Million dollars. Co-Chairman Cronin thanked Mayor Pedersen for his report.

Co-Chairman Cronin mentioned that Mr. Meister was working diligently on the Inkind Contributions Report. Mr. Meister noted that given the open question of the Phasing and the potential for traumatic price upswings of the project by reordering the Phasing, it was premature to put together a Sources and Uses Overview. Ms. Omar just brought to his attention that Elk Grove Village will be presenting another Proposal to the Finance Committee.

Regarding the TIGER Application; Mr. John Loper reported that the preliminary application submitted to IDOT, in the amount of \$50 million, has been acknowledged and the final application is due on October 31. Competition for the funding is extreme, with only \$132 million allocated for the entire State of Illinois. This could be impeded by what appears to be a requirement that the project be construction-ready in 2013. Co-Chairman Cronin thanked Mr. Loper for the information.

Review of Phasing Alternatives

Due to the Proposal Elk Grove Village will be presenting, Co-Chairman Cronin suggested a brief presentation, for the record, regarding the Phasing Alternatives. There will be no need for a lot of detail because the issue may be abrogated or not as relevant for our consideration.

Ms. Lafleur noted that at the last meeting a question was raised about Phasing the Project. The Tollway looked at various alternative scenarios to Project Phasing and how that would impact the project cost. The current budget and projection for the project is:

- Widen & rehabilitate the existing Elgin O'Hare Expressway (2013)
- Construct the Elgin O'Hare Extension (2014 – 2017)
- Construct the West Bypass South Leg (2018 – 2022)
- Construct the West Bypass North Leg (2013 – 2025)
- Potential to advance construction of the I-90 at Elmhurst Road interchange as part of the I-90 widening and reconstruction project. (2013 – 2016)

Ms. Lidia Pilecky provided more detail on the alternatives through a powerpoint presentation. Ms. Pilecky said that the Tollway used the discussions from the previous meeting as a basis for an alternative concept for implementing the project over periods of time. Whenever an agency looks at implementing and staging for this type of a project, there are various considerations that must be evaluated such as:

- Cost
- Cash Flow
- Traffic Service
- Project Readiness

The sequencing for the Project as defined in the Tollway Program Book is a very general concept and there are a lot of details which will need to be worked out as the Project gets packaged for construction and prepared for letting. CH2M Hill, along with other consultants for the Tollway, were asked to collectively evaluate the potential effects of an alternative phasing plan and production costs. More specifically, how it would affect the Project funding gap, which is presently 300 Million dollars. The sequence of construction which the team examined is as follows:

- Widen & rehabilitate the existing Elgin O'Hare Expressway (2013) followed by
- Construct the West Bypass North Leg (2015 – 2017)
- Completion of the North/South Portion of the facilities which would go around the west side of O'Hare Airport (2017 – 2021)
- Easterly extension of the Elgin O'Hare

Looking at this sequencing of construction a few things became quickly apparent. As far as the North Leg of the West Bypass being advanced for construction earlier than has been published in the Tollway Program Book, there would be a major modification to a design configuration for the north leg as it in fact crosses the UP railroad tracks and that would result in additional capital costs. Another consideration is project readiness. The Elgin O'Hare corridor, which IDOT had been working on for decades in terms of protective acquisition, a good amount of those parcels have already been secured. So from a project readiness prospective it is in better position to move sooner than is the West Bypass North Leg. In the agenda packet there is a white sheet titled Elgin O'Hare-West Bypass (EOWB) Alternative Implementation Plan Evaluation (October 2011), which is attached hereto and made part hereof these minutes. Ms. Pilecky summarized that white paper by stating the major findings include:

- Capital cost increases of about \$130 Million under the revised sequencing due to more costly engineering needed for rail crossing and airport RPZ
- Wilbur Smith Associates did a high level revenue analysis of the sequence and that team believes there would be negative impact of about \$40 Million due to loss of revenue from the main section of the Elgin-O'Hare
- There are many project readiness issues related to permitting and acquisition on the North leg of the bypass that do not exist in the Thorndale Avenue corridor

Not included in this Plan are concerns related to the timing of the I-90/Elmhurst Road interchange improvement in relationship to when the Elgin O'Hare West Bypass Projects would come on line. Regardless of how the Project is ultimately sequenced for construction, traffic issues are going to have to be very carefully analyzed once there is a clear plan of action. There are concerns with temporary tie-ins during the period of construction, develop a detailed maintenance of traffic plan and make sure appropriate improvements are incorporated to handle traffic operations adequately during the period of construction. A planning level analysis was done on traffic forecast and potential traffic impact under the assumption that the I-90/Elmhurst Road interchange would precede the construction of the West Bypass facility. Based on their assessment of the I-90/Elmhurst Road interchange they believe the impacts are manageable.

Ms. Lafleur thanked Ms. Pilecky for the presentation and estimated dollar impact to rephase the project is 170 Million dollars more for the project gap. This would require an additional review of the cash flow for the Tollway's entire system.

Sources and Uses Overview

This subject was discussed by Mr. Chris Meister under the Local Financing agenda item.

New Business/Announcements

Co-Chairman Cronin requested Mayor Johnson present the Elk Grove Village Alternative Elgin O'Hare West Bypass Proposal, which is attached hereto and made part hereof these minutes . Mayor Johnson stated that this group is meeting for one common goal, a project which has been in the works for twenty-five plus years. The cost and sequencing issues must be addressed. Mayor Johnson asked his staff to reach out to engineering firms, consultant firms and legal counsel to find a way for this project to work for all communities involved. The alternative proposal Elk Grove Village is presenting would create a 358Million dollar surplus, take three years off the project and there would be no need for local contribution. The savings would come from the elimination of the West Bypass North Leg. Mayor Johnson proceeded to thoroughly summarize the attached Proposal. Mayor Moylan stated that the Members and other Stakeholders will need time to digest this last minute proposal. Co-Chairman Cronin concurred, stating that at this juncture the proposal is certainly interesting and compelling. Ms. Lafleur inquired if this was something that was explored previously. Mayor Johnson replied yes, but the difference with this proposal is it involves a few different improvements. Ms. Lafleur stated that she truly appreciates the spirit in which this proposal was offered and will take it back to the Tollway for further review. Co-Chairman Cronin concurred, adding it was very productive. Discussion ensued regarding "people movers". Mr. Schillerstrom noted that the ultimate goal is to complete the entire project. This is more of an economic development project as opposed to a transportation project.

Public Input

None

Next Meeting Date

There will be a Meeting of the Project Financing Working Group of the Elgin-O'Hare West Bypass Adversary Council on November 9, 2011 at 11:00 a.m. at DuPage County Complex in the County Board Room.

Adjournment

Motion by Member Pedersen, seconded by Mr. Schillerstrom to adjourn. On a voice vote all members present voted aye. Motion carried.